

Price of memberships falls by up to half as financial crisis hits companies, wealthy

# Cost of joining elite clubs tumbles

Paggie Leung

The price of second-hand club memberships has fallen by as much as half since the global financial crisis began to hit Hong Kong, and prices are expected to fall further.

Figures from agents who deal in memberships of Hong Kong's exclusive private clubs, show that the market prices for memberships have declined on average by between 30 and 40 per cent in the past six months.

The number of sales has also halved.

"Similar to the property and stock markets, the trading of second-hand memberships has also been affected by the financial turmoil," said Tony Chan Wai-hung, sales director at Everfine Membership Services.

"Some companies have cut their budgets or sacked staff, thus they no longer need the memberships. Some people are pessimistic about the [membership] market and the economy so they want to sell them ... or some just want money to recover losses in the stock market."

Mr Chan said some established

clubs, such as the Hong Kong Cricket Club and the American Club, no longer took new members, and clubs usually limited the number of corporate or individual members to about 2,000, or even as few as 1,000. This had led to a second-hand trade in memberships.

Prices for memberships had soared since the Sars crisis in 2003 because of limited supply and strong demand, he said. Prices hit a peak in August last year, before the global financial crisis took its toll.

Mr Chan said the price for an indi-

vidual membership at the Discovery Bay Golf Club had fallen 41 per cent to HK\$1.3 million from HK\$2.2 million in August.

## Membership market

The changing price of corporate club memberships (HK\$)

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